



INDUSTRY CIRCULAR

DEPARTMENT OF
THE TREASURY

Bureau of Alcohol, Tobacco and Firearms
Washington, D. C. 20226

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ATF RULING 83-6 IS MODIFIED

Importers and others concerned

Purpose. The purpose of this circular is to inform industry members that ATF Ruling 83-6 is modified by a new ruling which will be published in a future issue of the ATF Bulletin. The new ruling will read as follows:

The Bureau of Alcohol, Tobacco and Firearms has been asked to explain the position set forth in ATF Rul. 83-6, A.T.F.B. 1983-4, 93. ATF Ruling 83-6 superseded Rev. Rul. 54-280, 1954-2 C.B. 590 which permitted the transfer of certificates of label approval among importers of alcoholic beverages. It provided an exception by continuing to allow transfers of label approval if (1) the proprietor transferring the certificate is an exclusive or sole agent for the product, (2) each bottle or individual container bears the name and address of this agent, and (3) the agent maintains records of the companies that the certificates have been transferred to.

ATF Ruling 83-6 created much confusion at ports of entry. The ruling was intended to disallow the use of a certificate of label approval by any party other than the person to whom it was issued (certificate owner) unless the certificate owner authorized the person making entry through Customs (importer of record) to use that label approval to effect release of merchandise from Customs custody. ATF Ruling 83-6 allowed this exception only if the certificate owner was the sole or exclusive agent of the product covered by the label approval. Although under many circumstances the certificate owner will be the sole agent for the product, experience has shown that it is not necessary to require that he be such. Additionally, ATF Ruling 83-6 referred to the authorization to use the label approval as a "transfer." In fact, the title of the certificate of label approval does not change hands when the certificate owner authorizes another party to use the certificate. The certificate owner remains responsible for the imported product and its distribution in the United States.

Held, except as provided below, effective immediately, an importer may use certificates of label approval to release products from Customs custody only if the certificates are issued to that importer. Shipments may be released to an importer of record who is not the owner of the certificate of label approval if (1) the

certificate owner has authorized such use, (2) each bottle or individual container bears the name (or trade name) and address of the certificate owner and (3) the certificate owner maintains records of the companies he has authorized to use his certificate.

As long as the certificate owner participated in the transaction which brought the product to the United States, he is considered to have given authorization for the use of the label approval to the importer of record. Thus, shipments of beverages may be released under certificates of label approval not issued in the importer of record's name when the certificate owner is named in the sales-in-transit invoice required by 19 C.F.R. § 141.86(c) or in other shipping documents, such as the bill of lading. Alternatively, the certificate owner may authorize the importer of record to use his label approval in the form of a letter. Such letters are not required unless there is no evidence that the certificate owner participated in the transaction which brought the product to the United States.

ATF Rul. 83-6, A.T.F.B. 1983-4, 93, is hereby modified.

Inquiries. Inquiries concerning this circular should refer to its number and be addressed to the Associate Director (Compliance Operations), Bureau of Alcohol, Tobacco and Firearms, 1200 Pennsylvania Avenue, NW Washington, DC 20226.

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Director

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